



MICHIGAN
HOUSE OF REPRESENTATIVES
P.O. Box 30014
LANSING, MICHIGAN 48909-7514

**MINUTES OF THE COMMITTEE
ON
GOVERNMENT OPERATIONS**

Tuesday, December 11, 2018 8:30 a.m. Room 352, Capitol Building

The House Committee on Government Operations was called to order by the Chairman, Representative Lee Chatfield.

Members present: Representatives Chatfield, Lauwers, Barrett, Singh, and Greig
Members absent/excused: None

Representative Barrett moved to adopt the minutes from the Tuesday, December 4, 2018 meeting.

There being no objection, the motion was approved by unanimous consent.

The Chair laid before the committee:

SB 1235 (MacGregor) Property tax; special assessments; requirements for establishing a special assessment district for police and fire services; modify.

Senator MacGregor, Representative Brann, and Andy Johnston, representing the Grand Rapids Chamber, introduced the bill to the committee. Questions and discussion followed.

Judy Allen, representing the Michigan Township Association, submitted a card with a neutral position on the bill, but did not wish to speak.

The following people submitted a card in support of the bill, but did not wish to speak:
Robert O'Meara, representing the Michigan Restaurant and Lodging Association.
Dan Papineau, representing the Michigan Chamber of Commerce.
Andrew Martin, representing Meijer.
Amy Drumm, representing the Michigan Retailers Association.

Representative Barrett moved to adopt the following amendment to SB 1235:

1. Amend page 6, line 24, by striking out all of lines 24 through 25.

The motion prevailed by a vote of 5-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Chatfield, Lauwers, Barrett, Singh, and Greig.

NAYS: None.

PASS: None.

Representative Barrett moved to report SB 1235, as amended, as substitute (H-1), with recommendation.

The motion prevailed with a vote of 5-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Chatfield, Lauwers, Barrett, Singh, and Greig.

NAYS: None.

PASS: None.

The Chair laid before the committee:

SB 1197 (Casperson) Highways; bridges; Mackinac bridge authority act; allow the operation of a utility tunnel.

Senator Casperson, introduced the bill to the committee. Questions and discussion followed.

The following people testified in opposition of the bill:

William Gnodtke, representing himself.

Sean McBrearty, representing Clean Water Action.

Patty Peek, representing the Straits of Mackinac Alliance.

Barbara Brown, representing herself.

Corrie Veldman, representing the Great Lakes Business Network/Barfly.

Richard Bergmann, representing the Great Lakes Business Network.

Beth Wallace, representing National Wildlife Federation.

Jim Lively, representing the Friends of Mackinac Bridge.

Kelly C. Thayer, representing For Love of Water.

Liz Kirkwood, representing For Love of Water.

The following people submitted a card in support of the bill, but did not wish to speak:

Jason Wadaga, representing the Michigan Propane Gas Association.

Nic Clark, representing the Operating Engineers Local #324.

Jonathan Byrd, representing the Michigan Laborers Union.

Mark Griffin, representing the Michigan Petroleum Association.

Frank Foster, representing Enbridge Energy.

Erin McDonough, representing the Michigan Oil and Gas Association.

Jason Geer, representing the Michigan Chamber of Commerce.

Lance Binoniemi, representing the Michigan Infrastructure and Transportation Association.

The following people submitted a card in opposition to the bill, but did not wish to speak:

Aaron Payment, representing the Sault St. Marie Tribe of Chippewa Indians.

Mike Berkowitz, representing the Sierra Club.
Amanda Robert, representing the Sierra Club.
Judy Karandjeff, representing the League of Women Voters.
Nicholas Occhipinti, representing the Michigan League of Conservation Voters.

The following people submitted a testimony card in opposition of the bills and wished to speak, but due to time constraints, were unable to:

Lisa Patrell, representing herself.
Lauren Sargent, representing herself.
Leonard Page, representing the Straits Alliance.
Dirk Mayhew, representing himself.
Terri Wilkerson, representing himself.
William A. Crane, representing himself.
Bruce Timmons, representing himself.

Representative Singh moved to adopt the following amendment to SB 1197:

1. Amend page 14, following line 18, by inserting:
“(J) THAT THE PROPOSED TUNNEL AGREEMENT REQUIRES AT LEAST 50% OF ALL INDIVIDUALS EMPLOYED ON THE UTILITY TUNNEL PROJECT TO BE RESIDENTS OF THIS STATE, AND AT LEAST 25% OF ALL INDIVIDUALS EMPLOYED ON THE UTILITY TUNNEL PROJECT TO BE RESIDENTS OF A COUNTY NORTH OF THE BENZIE-ALCONA COUNTY LINE.”.

The motion failed by a vote of 2-3-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Singh and Greig.
NAYS: Representatives Chatfield, Lauwers, and Barrett.
PASS: None.

Representative Greig moved to adopt the following amendment to SB 1197:

1. Amend page 14, line 19, by striking out all of subsection (5) and renumbering the remaining subsection.

The motion failed by a vote of 2-3-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Singh and Greig.
NAYS: Representatives Chatfield, Lauwers, and Barrett.
PASS: None.

Representative Singh moved to adopt the following amendment to SB 1197:

1. Amend page 14, following line 18, by inserting:
“(J) THAT THE PROPOSED TUNNEL AGREEMENT REQUIRES THE DECOMMISSIONING OF ANY EXISTING OIL AND GAS PIPELINES WITHIN THE STRAITS OF MACKINAC ON OR BEFORE JULY 1, 2029.”.

The motion failed by a vote of 2-3-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Singh and Greig.

NAYS: Representatives Chatfield, Lauwers, and Barrett.

PASS: None.

Representative Greig moved to adopt the following amendment to SB 1197:

1. Amend page 14, following line 18, by inserting:
“(J) THAT THE PROPOSED TUNNEL AGREEMENT REQUIRES PAYMENT OF EMPLOYEE WAGES OR FRINGE BENEFITS THAT ARE BASED ON THE WAGE AND FRINGE BENEFITS RATES PREVAILING IN THE LOCALITY.”.

The motion failed by a vote of 2-3-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Singh and Greig.

NAYS: Representatives Chatfield, Lauwers, and Barrett.

PASS: None.

Representative Singh moved to adopt the following amendment to SB 1197:

1. Amend page 14, line 2, after “SUCCESSOR.” by inserting: **“A PRIVATE PARTY DESCRIBED IN THIS SUBDIVISION SHALL MAINTAIN A FINANCIAL ASSURANCE BOND SUFFICIENT TO PROVIDE FOR ANY AND ALL POTENTIAL ENRIONMENTAL DAMAGE RESULTING FROM AN OIL OR GAS RUPTURE EITHER IN AN OIL AND GAS PIPELINE EXISTING WITHIN THE STRAITS OF MACKINAC ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SECTION OR IN A PIPELINE CONTRUCTED WITHIN A UTILITY TUNNEL.”.**

The motion failed by a vote of 2-3-0.

UNFAVORABLE ROLL CALL:

YEAS: Representatives Singh and Greig.

NAYS: Representatives Chatfield, Lauwers, and Barrett.

PASS: None.

Representative Singh moved to adopt the following amendment to SB 1197:

1. Amend page 14, following line 18, by inserting:
“(J) THAT THE PROPOSED TUNNEL AGREEMENT REQUIRES THAT FOR ANY LEASING OF SPACE FOR FACILITIES FOR THE TRANSMISSION OF DATA AND TELECOMMUNICATIONS THAT THE MACKINAC BRIDGE AUTHORITY SHALL BE REIMBURSED FOR ANY AND ALL LOSS OF REVENUE FROM THE LEASING OF SPACE FOR FACILITIES FOR THE TRANSMISSION OF DATA AND TELECOMMUNICATIONS.”.

Representative Singh withdrew his amendment to SB 1197.

Representative Singh moved to adopt the following amendment to SB 1197:

1. Amend page 14, following line 18, by inserting:
“(J) THAT THE PROPOSED TUNNEL AGREEMENT REQUIRES THAT FOR ANY LEASING OF SPACE FOR FACILITIES FOR THE TRANSMISSION OF DATA AND TELECOMMUNICATIONS THAT THE MACKINAC BRIDGE AUTHORITY SHALL BE REIMBURSED FOR ANY AND ALL LOSS OF NET PROFIT FROM THE LEASING OF SPACE FOR FACILITIES FOR THE TRANSMISSION OF DATA AND TELECOMMUNICATIONS.”.

The motion prevailed with a vote of 5-0-0.

FAVORABLE ROLL CALL:

YEAS: Representatives Chatfield, Lauwers, Barrett, Singh, and Greig.
NAYS: None.
PASS: None.

Representative Lauwers moved to report SB 1197, as amended, as substitute (H-2), with recommendation.

The motion prevailed with a vote of 3-0-2.

FAVORABLE ROLL CALL:

YEAS: Representatives Chatfield, Lauwers, and Barrett.
NAYS: None.
PASS: Representatives Singh and Greig.

There being no further business before the committee and seeing no objection, the Chair adjourned the meeting, the time being 9:52 a.m.

Representative Lee Chatfield, Chair

Eddie Sleeper
Committee Clerk
December 11, 2018
82 minutes

Date Approved and Signed